

AMENDMENTS TO EMERGENCY FARM MORTGAGE ACT OF 1933

MAY 19 (legislative day, MAY 15), 1942.—Ordered to be printed

Mr. BANKHEAD, from the Committee on Banking and Currency,
submitted the following

REPORT

[To accompany S. 2508]

The Committee on Banking and Currency, to whom was referred the bill (S. 2508) to amend the Federal Farm Loan Act, as amended; to amend the Emergency Farm Mortgage Act of 1933, as amended; to amend the Federal Farm Mortgage Corporation Act, as amended; and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

STATEMENT

Section 1 of the bill, as reported, would adopt for Land Bank Commissioner loans made on behalf of the Federal Farm Mortgage Corporation language substantially identical with the provisions of the Federal Farm Loan Act with relation to land banks as regards the amount of loans which may be made to any one borrower, special approval of loans in excess of \$25,000 and the preference which would be given to applications for loans of \$10,000 or under. The effect of this amendment to the Emergency Farm Mortgage Act of 1933 would be to place Land Bank Commissioner loans, in these respects, substantially on the same basis as Federal land bank loans. This amendment would permit Commissioner loans to be of greater service in stock-raising areas and in certain areas which are not considered by the Federal land banks to be suitable for their lending operations. Land subject to flood hazards, and certain irrigation and drainage districts, now are not serviced by the Federal land banks because of the risks inherent in the localities. Under the authority of this amendment it would be possible to extend adequate long-term mortgage credit to farmers in these regions. Furthermore, under this section the Commissioner would be authorized to make loans up to

